
SCHEME OF AMALGAMATION

AMONG

PITTI CASTINGS PRIVATE LIMITED
(Amalgamating Company 1)

AND

PITTI RAIL AND ENGINEERING COMPONENTS LIMITED
(Amalgamating Company 2)

AND

PITTI ENGINEERING LIMITED
(Amalgamated Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(Under Sections 230 - 232 of the Companies Act, 2013 and rules framed thereunder)

For Pitti Castings Private Limited


Nishitha Agarwal
Company Secretary
ACS: 65553

For Pitti Rail and Engineering Components Limited


M Pavan Kumar
Director
DIN: 09570371

For Pitti Engineering Limited


Mary Monica Braganza
Company Secretary & Compliance Officer
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PREAMBLE

This Scheme of Amalgamation (“Scheme”) is presented pursuant to the provisions of Sections 230 - 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as applicable for the:

- (i) Amalgamation (*as defined hereinafter*) of the Amalgamating Company 1 and Amalgamating Company 2 (*as defined hereinafter*) with the Amalgamated Company (*as defined hereinafter*);
- (ii) various other matters incidental, consequential or otherwise integrally connected therewith.

(A) DESCRIPTION OF THE COMPANIES

1. Pitti Castings Private Limited is a private limited company incorporated on 07th December 2011 with Corporate Identification Number – U27310TG2011PTC077833 having its registered office at IVth Floor, Padmaja Land Mark, 6-3-643/401, Somajiguda, Hyderabad, Telangana, 500082 (hereinafter referred to as “PCPL” or the “Amalgamating Company 1”). PCPL is engaged in the manufacturing of high-quality casting in grey iron, ductile iron, low carbon and alloy steel grades (“Castings Business”).
2. Pitti Rail and Engineering Components Limited is a public limited company incorporated on 05th October 2020 with Corporate Identification Number - U29100TG2020PLC144524 having its registered office at 6-3-648/401, 4th Floor, Padmaja Landmark, Somajiguda, Hyderabad, Telangana, 500082 (hereinafter referred to as “PRECL” or the “Amalgamating Company 2”). PRECL is set up with the object to manufacture engineering products and components.
3. Pitti Engineering Limited is a company registered under Companies Act 1956 vide CIN L29253TG1983PLC004141. The Company was incorporated on 17th September 1983 as Pitti Laminations Private Limited. The Company was converted into a public limited company on 29th December 1992. The name of the Company was changed from Pitti Laminations Limited to Pitti Engineering Limited and a fresh Certificate of Incorporation dated 8th May 2018 was issued by the Ministry of Corporate Affairs, Office of Registrar of Companies, Hyderabad. The Company is having its registered office at IVth Floor, Padmaja Land Mark, 6-3-648/401, Somajiguda, Hyderabad, Telangana, 500082 (hereinafter referred to as “PEL” or the “Amalgamated Company”). The equity shares of PEL are listed and traded on BSE Limited and National Stock Exchange of India Limited. PEL is engaged in manufacturing of engineering products of iron and steel including electrical steel laminations, stator and rotor core assemblies, sub-assemblies, pole assemblies, die-cast rotors, press tools and high precision machining of various metal components.

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(B) **RATIONALE AND SALIENT FEATURES OF THE SCHEME**

Amalgamation of Amalgamating Company 1 with Amalgamated Company:

PEL had acquired shares in PCPL originally with an objective to ensure vertical integration of businesses which would provide increased opportunities and better margins to PEL. However, due to operational and financial reasons, PEL could not complete the consolidation historically.

With a view to now achieve vertical integration and broaden its footprint across the supply chain, PEL has strategically decided to integrate the Castings Business with its operations.

The implementation of this Scheme will result in the following synergies:

1. Enhance PEL's control over the supply and inventory management of its raw materials. Amalgamation would help with a unified approach on supply chain management and consequent synergies leading to optimization of resource utilization, reduced finance cost, operational cost, reduced duplication of administrative efforts and better procurement policies and prices, for the combined business.
2. Allow PEL to gain access to long-term contracts by bolstering an entire integrated process helping them cover the end-to-end supply chain.
3. Enhance PEL's margins and profitability and reduction in related party transactions of PEL which would enhance value for all its stakeholders.
4. Help PEL to diversify its business and provide PEL with access to a new set of customers and industries.

In view of the aforesaid, the Board of Directors of PEL and PCPL have considered it desirable and expedient to integrate the business of PCPL by way of amalgamation. Such an amalgamation is expected to be in the best interest of both Companies, their respective shareholders, creditors, employees and other stakeholders.

Amalgamation of Amalgamating Company 2 with Amalgamated Company:

PRECL was incorporated as a Wholly Owned Subsidiary of PEL for the purpose of undertaking a greenfield project in relation to the manufacture of railway and engineering components. Since PEL has undertaken the said business through Brown field project, there is no longer need of a separate corporate entity.

The Scheme is expected to provide the following benefits:

The amalgamation will result in simplifying the corporate structure and elimination of duplication in administrative cost and multiple record keeping thus resulting in cost savings.


(C) **PARTS OF THE SCHEME OF AMALGAMATION**

This Scheme of Amalgamation is divided into the following parts:

For Pitti Castings Private Limited


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Part I: Definitions, Interpretation, Date of taking into effect and operative date and Capital Structure;

Part II: Amalgamation of PCPL/Amalgamating Company 1 and PRECL/Amalgamating Company 2 with PEL/Amalgamated Company;

Part III: General terms and conditions applicable to the Scheme.

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PART I: DEFINITIONS, INTERPRETATION AND CAPITAL STRUCTURE

1. DEFINITIONS


In this Scheme (*as defined hereinafter*), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act” or “Companies Act”** means the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable rules and regulations, for time being in force, if any or applicable provisions of the erstwhile Companies Act, 1956 (*as the case may be*) including any statutory modification or re-enactment thereof. References in this Scheme to particular provisions of the Act shall be deemed to mean and include references to particular provisions of the Companies Act, 2013 unless stated otherwise.
- 1.2 **“Amalgamated Company”** shall have the meaning ascribed to it in Paragraph (A)(3) of the Preamble above.
- 1.3 **“Amalgamating Company 1”** shall have the meaning ascribed to it in Paragraph (A)(1) of the Preamble above.
- 1.4 **“Amalgamating Company 2”** shall have the meaning ascribed to it in Paragraph (A)(2) of the Preamble above.
- 1.5 **“Amalgamation”** means the amalgamation of the Amalgamating Company 1 and Amalgamating Company 2 with the Amalgamated Company, pursuant to Sections 230 – 232 and other relevant provisions of the Companies Act, and applicable provisions of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other relevant rules and regulations, and Section 2 (1B) and other relevant provisions of the Income-tax Act, 1961.
- 1.6 **“Applicable Law(s)”** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question.
- 1.7 **“Appointed Date”** means April 01, 2023 or such other date as may be approved by National Company Law Tribunal at Hyderabad Bench, Hyderabad, for the purposes of this Scheme and Income-tax Act, 1961.
- 1.8 **“Board of Directors” or “Board”** in relation to the Amalgamating Company 1, Amalgamating Company 2 and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by

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the board of directors.

- 1.9 "Clause" and "sub-Clause" means the relevant clauses and sub-clauses set out in this Scheme.
- 1.10 "Companies" shall mean jointly referring to the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company.
- 1.11 "Corporate Action" shall mean sub-division, consolidation, or re-organization or any other type of capital restructuring activities including but not limited to issue of bonus/right shares excluding grant of employee's stock options and consequent allotment, by the Amalgamated Company until the effectiveness of the Scheme.
- 1.12 "Effective Date" means the date on which the Scheme shall become effective pursuant to Clause 15 of the Scheme. Any references in this Scheme to "*upon this Scheme becoming effective*" or "*effectiveness of this Scheme*" or "*after this Scheme becomes effective*" means and refers to the Effective Date.
- 1.13 "Governmental Authority" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- 1.14 "NCLT" means the National Company Law Tribunal, Hyderabad Bench at Hyderabad having jurisdiction over the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company.
- 1.15 "Record Date" means a date to be fixed by the Board of Directors of the Amalgamated Company in consultation with the Amalgamating Company 1 for the purpose of determining the shareholders of the Amalgamating Company 1 to whom shares would be issued and allotted in accordance with Clause 13.1 of this Scheme, upon coming into effect of the Scheme.
- 1.16 "RoC" means the Registrar of Companies at Hyderabad having jurisdiction over the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company.
- 1.17 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation among the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company and their respective shareholders pursuant to the provisions of Sections 230 - 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as applicable, in its present form (including any annexures, schedules, etc., annexed/attached hereto), along with such modifications and amendments as may be made from time to time.
- 1.18 "SEBI" shall mean Securities and Exchange Board of India.

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- 1.19 "SEBI Master Circular" shall mean the SEBI Circular dated November 23, 2021, bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, as amended or replaced from time to time.
- 1.20 "Stock Exchange" means BSE Limited and National Stock Exchange of India Limited.
- 1.21 "Share Exchange Report" shall mean the registered valuer report on the share exchange ratio dated June 15, 2023 jointly issued by Mr. Niranjana Kumar, Registered Valuer – Securities or Financial Assets and SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets.

2. INTERPRETATION

- 2.1 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.
- 2.2 The terms, words and expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other statutory authorities or in terms of this Scheme shall be effective from the Appointed Date but *shall be operative from the Effective Date.*

4. SHARE CAPITAL

- 4.1 The share capital of the Amalgamating Company 1 as on June 9, 2023 is as follows:

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Particulars	Amount (in INR)
Authorized Capital	
12,44,62,500 equity shares of INR 10 each	1,24,46,25,000
1,23,30,000 Non-Cumulative Non-Participating Compulsory Redeemable Preference Shares of INR 10 each	12,33,00,000
Total	1,36,79,25,000
Issued, Subscribed and Paid-up Capital	
12,44,62,500 equity shares of INR 10 each	1,24,46,25,000
1,23,30,000 Non-Cumulative Non-Participating Compulsory Redeemable Preference Shares of INR 10 each	12,33,00,000
Total	1,36,79,25,000

Subsequent to the above, there has been no change in the authorized, issued, subscribed and paid-up capital of Amalgamating Company 1.

4.2 The share capital of the Amalgamating Company 2 as on June 9, 2023 is as follows:

Particulars	Amount (in INR)
Authorized Capital	
1,00,000 equity shares of INR 10 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Capital	
1,00,000 equity shares of INR 10 each	10,00,000
Total	10,00,000

Subsequent to the above, there has been no change in the authorized, issued, subscribed and paid-up capital of Amalgamating Company 2.

4.3 The share capital of Amalgamated Company as on June 9, 2023 is as follows:

Particulars	Amount (in INR)
Authorized Capital	
6,00,00,000 equity shares of INR 5 each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up Capital	
3,20,50,067 equity shares of INR 5 each	16,02,50,335
8,300 equity shares forfeited of INR 5 each	41,500
Total	16,02,91,835

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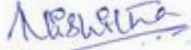
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Subsequent to the above, there has been no change in the authorized, issued, subscribed and paid-up capital of Amalgamated Company.

The equity shares of the Amalgamated Company are listed on the Stock Exchanges.

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**PART II: AMALGAMATION OF AMALGAMATING COMPANY 1 AND
AMALGAMATING COMPANY 2 WITH AMALGAMATED COMPANY**


**5. TRANSFER AND VESTING OF AMALGAMATING COMPANY 1 AND
AMALGAMATING COMPANY 2**

- 5.1 With effect from the Appointed Date, and upon the Scheme becoming effective, the Amalgamating Company 1 and Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein as detailed below.
- 5.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company 1 and Amalgamating Company 2 shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company 1 and Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company in the manner provided below:
- (i) all assets of the Amalgamating Company 1 and Amalgamating Company 2, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting pursuant to this Scheme, if any, shall stand vested in the Amalgamated Company;
 - (ii) all movable properties of the Amalgamating Company 1 and Amalgamating Company 2, other than those specified in sub- clause (i) above, including but not limited to sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, cash in hand, deposits, investments (including investments in securities of other companies whether, shares, stocks, debentures, units, or other similar instruments) if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
 - (iii) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets of the Amalgamating Company 1 and Amalgamating Company 2, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same unless otherwise stated in this Scheme;
 - (iv) all statutory licenses, permissions or approvals or consents held by the Amalgamating Company 1 and Amalgamating Company 2 required to carry on its

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operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Amalgamating Company 1 and Amalgamating Company 2 shall vest in and become available to the Amalgamated Company pursuant to the Scheme;

- (v) any and all registrations, goodwill, licenses appertaining to the Amalgamating Company 1 and Amalgamating Company 2 shall stand transferred to and vested in the Amalgamated Company; and
- (vi) all taxes payable by the Amalgamating Company 1 and Amalgamating Company 2, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

6. TAX

- 6.1 Any tax liabilities under the Income-tax Act, 1961 or other applicable laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Company 1 and Amalgamating Company 2 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Amalgamated Company.
- 6.2 Any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source and MAT credit, business losses, unabsorbed depreciation, CENVAT credit, Goods and Services Tax credit as on the date immediately preceding the Appointed Date will also be transferred to Amalgamated Company. Any refund under the Income-tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Company 1 and Amalgamating Company 2 or due to Amalgamating Company 1 and Amalgamating Company 2, consequent to the assessment made in respect of Amalgamating Company 1 and Amalgamating Company 2, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Amalgamated Company.
- 6.3 The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, Goods and Services Tax, applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Amalgamating Company 1 and Amalgamating Company 2 after the Appointed Date, shall be deemed to be paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Amalgamating Company 1 and Amalgamating Company 2 or the Amalgamated Company on account of intercompany transactions between Amalgamated Company and Amalgamating Company 1 and Amalgamating Company 2 post the Appointed Date, shall

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be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.

- 6.4 Upon the Scheme becoming Effective, with effect from the Appointed Date, Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income-tax Act, 1961, central sales tax, applicable state value added tax, service tax laws, Goods and Services Tax and other tax laws, if required, to give effects to provisions of the Scheme.
- 6.5 All tax assessment proceedings/appeals of whatsoever nature by or against the Amalgamating Company 1 and Amalgamating Company 2 pending and/or arising at the Appointed Date and relating to Amalgamating Company 1 and Amalgamating Company 2 shall be continued and/or enforced until the Effective Date as desired by Amalgamated Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Amalgamated Company (for and on behalf of the Amalgamating Company 1 and Amalgamating Company 2) in the same manner and to the same extent as would or might have been continued and enforced by or against Amalgamating Company 1 and Amalgamating Company 2. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Amalgamating Company 1 and Amalgamating Company 2 with Amalgamated Company or anything contained in the Scheme.
- 6.6 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Company 1 and Amalgamating Company 2 shall be made or deemed to have been made and duly complied with by the Amalgamated Company.
- 6.7 Upon the Scheme becoming effective, the Amalgamated Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits pertaining to Amalgamating Company 1 and Amalgamating Company 2 with effect from the Appointed Date, if any.
- 6.8 The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company 1 and Amalgamating Company 2 into and with Amalgamated Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.


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7. **CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.**

7.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature to which Amalgamating Company 1 and Amalgamating Company 2 is a party or to the benefit of which Amalgamating Company 1 and Amalgamating Company 2 may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of Amalgamated Company and may be enforced as fully and effectually as if, instead of Amalgamating Company 1 and Amalgamating Company 2, Amalgamated Company had been a party or beneficiary or beneficial owner or obligee thereto or thereunder.

7.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Amalgamating Company 1 and Amalgamating Company 2 shall stand transferred to Amalgamated Company, as if the same were originally given by, issued to or executed in favour of Amalgamated Company and Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to Amalgamated Company. Amalgamated Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

7.3 Amalgamated Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which Amalgamating Company 1 and Amalgamating Company 2 is a party in order to give formal effect to the above provisions. Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Amalgamating Company 1 and Amalgamating Company 2 and to carry out or perform all such formalities or compliances, referred to above, on behalf of Amalgamating Company 1 and Amalgamating Company 2.


8. **LEGAL PROCEEDINGS**

8.1 All legal proceedings of whatsoever nature by or against Amalgamating Company 1 and Amalgamating Company 2 pending and/ or arising on or after the Appointed Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Amalgamated Company in the manner and to the same extent as would or might have been continued and enforced by or against Amalgamating Company 1 and

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Amalgamating Company 2, if this Scheme had not been made.

- 8.2 Amalgamated Company undertakes to have all legal or other proceedings initiated by or against Amalgamating Company 1 and Amalgamating Company 2 referred to in Clause 8.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against Amalgamated Company to the same extent as would or might have been continued and enforced by or against Amalgamating Company 1 and Amalgamating Company 2.

9. EMPLOYEES

- 9.1 On the Scheme becoming effective, all staff and employees of Amalgamating Company 1 and Amalgamating Company 2 on the Effective Date shall be deemed to have become the staff and employees of Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Amalgamated Company shall not be less favourable than those applicable to them with reference to Amalgamating Company 1 and Amalgamating Company 2 as on the Effective Date. Amalgamated Company further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services of such staff and employees with Amalgamating Company 1 and Amalgamating Company 2 shall also be taken into account.
- 9.2 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by Amalgamating Company 1 and Amalgamating Company 2 (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which pertains/ relates to the employees of Amalgamating Company 1 and Amalgamating Company 2 shall be transferred to Amalgamated Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of Amalgamated Company, either be continued as separate funds of Amalgamated Company for the benefit of the employees of Amalgamating Company 1 and Amalgamating Company 2 or be transferred to and merged with other similar funds, if any, of Amalgamated Company. In the event that Amalgamated Company does not have its own funds in respect of any of the above, Amalgamated Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of Amalgamating Company 1 and Amalgamating Company 2, until such time that Amalgamated Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of Amalgamating Company 1 and Amalgamating Company 2 shall be transferred to the funds created by Amalgamated Company. It is clarified that the services of the employees of Amalgamating Company 1 and Amalgamating Company 2 will be treated as having been continuous for the purpose of the said fund or funds.
- 9.3 With effect from the first of the dates of filing of this Scheme with the NCLT and up to and including the Effective Date, Amalgamating Company 1 and Amalgamating Company

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2 shall not vary or modify the terms and conditions of employment of any of its said employees, except with the written consent of Amalgamated Company, unless it is in the ordinary course of business. However, the terms and conditions of their employment with Amalgamated Company shall be no less favourable than those on which they were engaged in Amalgamating Company 1 and Amalgamating Company 2.

10. CONDUCT OF THE AMALGAMATING COMPANY TILL THE EFFECTIVE DATE

10.1 With effect from the Appointed Date and up to and including the Effective Date:

- (i) The Amalgamating Company 1 and Amalgamating Company 2 shall be deemed to have been carrying on and shall carry on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all their properties and assets for and on account of and in trust for Amalgamated Company;
- (ii) The Amalgamating Company 1 and Amalgamating Company 2 hereby undertakes to hold their assets with utmost prudence until the Effective Date;
- (iii) The Amalgamating Company 1 and Amalgamating Company 2 shall carry on their business and activities with reasonable diligence, business prudence in the ordinary course of business and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any additional liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of their properties/ assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by them as on the date of filing of this Scheme in the NCLT ; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard;
- (iv) Except by mutual consent of the Board of Directors of the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Amalgamating Company 1 and Amalgamating Company 2 shall not make any change in their capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub- division or consolidation, re-organisation or in any other manner;
- (v) The Amalgamating Company 1 and Amalgamating Company 2 shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations, undertaken prior to the date of approval of the Scheme by the Board

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of Directors of the Amalgamating Company 1 and Amalgamating Company 2, the terms and conditions of employment of any of their employees except with the written concurrence of the Amalgamated Company;

- (vi) The Amalgamating 1 and Amalgamating Company 2 Company shall not alter or expand their business except with the written concurrence of the Amalgamated Company; and
- (vii) The Amalgamating Company 1 and Amalgamating Company 2 shall not amend their memorandum of association and / or their articles of association, except with the written concurrence of the Amalgamated Company.
- 10.2 All the profits or income accruing or arising to the Amalgamating Company 1 and Amalgamating Company 2 or expenditure or losses arising or incurred or suffered by them with effect from Appointed Date shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure, as the case may be, of the Amalgamated Company respectively, unless otherwise provided in this Scheme.
- 10.3 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company 1 and Amalgamating Company 2.
- 10.4 Upon this Scheme becoming effective, the Amalgamating Company 1 and Amalgamating Company 2 shall stand dissolved, without following the procedure of winding up prescribed under the Insolvency and Bankruptcy Code, 2016, as may be applicable.
- 10.5 For the purpose of giving effect to the amalgamation order passed under Sections 230 - 232 and other applicable provisions of the Companies Act in respect of the Scheme by NCLT, the Amalgamating Company 1 and Amalgamating Company 2 shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company 1 and Amalgamating Company 2, in accordance with the provisions of Sections 230 - 232 of the Companies Act.
- 10.6 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Amalgamating Company 1 and Amalgamating Company 2 have been replaced with that of the Amalgamated Company, the Amalgamated Company shall be entitled to operate the bank accounts of the Amalgamating Company 1 and Amalgamating Company 2 in the name of the Amalgamating Company 1 and Amalgamating Company 2 in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Amalgamating Company 1 and Amalgamating Company 2 after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company, if presented by the Amalgamated Company. Similarly, till the time any regulatory registrations of the

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Amalgamating Company 1 and Amalgamating Company 2 are closed / suspended and regulatory filings are required to be done on such registrations, the Amalgamated Company shall be entitled to do so to comply with the relevant regulations.

11. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to the Amalgamating Company 1 and Amalgamating Company 2, pursuant to this Scheme, and the continuance of the proceedings by or against the Amalgamated Company, under this Scheme shall not affect any transactions or proceedings already completed by the Amalgamating Company 1 and Amalgamating Company 2, on and after the Appointed Date to the end and intent that Amalgamated Company accepts all acts, deeds and things done and executed by and/ or on behalf of the Amalgamating Company 1 and Amalgamating Company 2, as acts, deeds and things done and executed by and on behalf of Amalgamated Company.

12. COMBINATION OF AUTHORISED SHARE CAPITAL

12.1 On coming into effect of this Scheme:

- (i) The authorized share capital of the Amalgamating Company 1 and Amalgamating Company 2 shall be deemed to have been reclassified into equity shares of INR 5 (Rupees Five only) each and shall stand transferred to and be amalgamated with the authorized share capital of the Amalgamated Company without any requirement of any further act, instrument or deed on the part of the Amalgamated Company, including payment of stamp duty and fees payable to the relevant Registrar of Companies;
- (ii) The authorized share capital of the Amalgamated Company shall automatically stand increased without any further act or deed on the part of the Amalgamated Company, including payment of stamp duty and RoC fees. The Memorandum of Association and Articles of Association of the Amalgamated Company accordingly without any further act or deed be and stand altered, modified and amended, and the consent of the shareholders of the Amalgamated Company shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, Section 61 or any other applicable provisions of the Companies Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Amalgamating Company 1 and Amalgamating Company 2 towards their authorized share capital shall be utilized and applied to the increased authorized share capital of the Amalgamated Company, and shall be deemed to have been so paid by the Amalgamated Company on such combined authorized share capital and, accordingly, the Amalgamated Company shall not be required to pay any fees/ stamp duty on the authorized share capital so increased.; and
- (iii) Pursuant to the Scheme and after the Scheme becomes effective, the authorized equity share capital of the Amalgamated Company will be INR 166,89,25,000 (Rupees One

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Hundred and Sixty-Six Crore Eighty-Nine Lakh and Twenty-Five Thousand only divided into 33,37,85,000 (Thirty-Three Crore Thirty-Seven Lakh and Eighty-Five Thousand) equity shares of INR 5 (Five) each.

- 12.2 It is clarified that the approval of the members of the Amalgamated Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Amalgamated Company as may be required under the Act, and Clause V of the Memorandum of Association of the Amalgamated Company shall respectively stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Amalgamated Company:

"The authorized share capital of the Company is INR 166,89,25,000 (Rupees One Hundred and Sixty-Six Crore Eighty-Nine Lakh and Twenty-Five Thousand only) divided into 33,37,85,000 (Thirty-Three Crore Thirty-Seven Lakh and Eighty-Five Thousand) equity shares of INR 5 (Five) each"

The Company has the power from time to time, to increase or reduce its capital. Any of the said shares and any new shares hereafter to be created, may from time to time be divided into shares of several classes in such manner as the Articles of Association of the Company may prescribe or allow and so that the shares of each class may have or confer such preferred or other special rights and privileges and may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise, as well have been assigned thereto by or under the provisions of the Articles of Association but so that the special rights or privileges belonging to holders of any shares issued with preferred or other rights shall not be varied or abrogated or affected except with such sanction as is provided for by the Articles of Association of the Company for the time being.

13. CONSIDERATION

Amalgamating Company 1:

- 13.1 Upon the Scheme coming into effect and in consideration of the amalgamation of Amalgamating Company 1 with Amalgamated Company and subject to the provisions of this Scheme, the Amalgamated Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis, to each shareholder of the Amalgamating Company 1, whose names are recorded in the register of members as Member including index of beneficial owners maintained by the Amalgamating Company 1 as on the Record Date, as follows:

"01 (One) equity share of PEL of INR 05/- each, fully paid-up for every 55 (Fifty-Five) equity shares of PCPL of INR 10/- each, fully paid-up ("Share Exchange Ratio")

- 13.2 The equity shares of the Amalgamated Company to be issued to the shareholders of the Amalgamating Company 1 in accordance with this clause 13.1 shall be hereinafter referred

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to as "New Equity Shares".

- 13.3 The Amalgamated Company holds equity shares and redeemable preference shares in the Amalgamating Company 1. Hence, upon the Scheme becoming effective and amalgamation of Amalgamating Company 1 with Amalgamated Company in terms of this Scheme, all the equity shares and redeemable preference shares issued by Amalgamating Company 1 and held by Amalgamated Company and/ or its nominees shall stand cancelled and extinguished and in lieu thereof, no allotment of any shares in Amalgamated Company shall be made with respect to such holdings in the Amalgamating Company 1 by the Amalgamated Company.
- 13.4 The New Equity Shares to be issued and allotted pursuant to the amalgamation of Amalgamating Company 1 with Amalgamated Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of the Amalgamated Company and shall rank pari passu in all respects with the then existing equity shares of the Amalgamated Company as on the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Amalgamated Company.
- 13.5 The issue and allotment of the New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Hon'ble Tribunal without requiring any further act on the part of the Amalgamated Company or the Amalgamating Company 1 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. Approval of this Scheme by the equity shareholders of the Amalgamated Company shall be deemed to be the due compliance of the provisions of Sections 42, Section 62 and other relevant and applicable provisions of the Act and rules made thereunder, for the issue and allotment of the equity shares by the Amalgamated Company to the members of the Amalgamating Company 1 as on the Record Date, as provided in this Scheme and shall be carried out under the orders passed by the NCLT without requiring any further act on the part of the Companies or their shareholders.
- 13.6 Subject to Applicable Laws, the New Equity Shares that are to be issued in terms of this Scheme shall be issued in a dematerialized form. New Equity shares to be issued by the Amalgamated Company to the shareholders of the Amalgamating Company 1 pursuant to Clause 13.1 of this Scheme shall, subject to the receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges, where the shares of the Amalgamated Company are listed and/or admitted to trading. The Amalgamated Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the said Stock Exchanges. The New Equity Shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by the Stock Exchange. The register of members maintained by the Amalgamated Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of Directors of the Amalgamated Company) be updated to reflect the issue of the New Equity Shares in terms of this Scheme. The shareholders of

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the Amalgamating Company 1 who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Amalgamated Company, prior to the Record Date to enable it to issue the New Equity Shares in dematerialized form only. However, if no such details have been provided to the Amalgamated Company by the shareholders holding shares in physical share certificates on or before the Record Date, the Amalgamated Company shall deal with the relevant New Equity Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding New Equity Shares in dematerialized form to a trustee nominated by the Board of Directors of the Amalgamated Company ("Trustee of Amalgamated Company") who shall hold such New Equity Shares in trust for the benefit of such shareholder. The New Equity Shares of Amalgamated Company held by the Trustee of Amalgamated Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of Amalgamated Company, along with such other documents as may be required by the Trustee of Amalgamated Company. The respective shareholders shall have all the rights of the shareholders of the Amalgamated Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of New Equity Shares from the Trustee of Amalgamated Company. All costs and expenses incurred in this respect shall be borne by the shareholder or Amalgamating Company 1.

- 13.7 Fractional entitlements, if any, shall be consolidated. If such consolidated fractional entitlement exceed 1 (one) share, it shall be allotted in lieu thereof, to a trustee, authorized by the Board of Directors of the Amalgamated Company in this behalf, who shall hold in trust such New Equity Shares to the extent of consolidated fractional entitlement, on behalf of the shareholders of Amalgamating Company 1, with the express understanding that such trustee shall sell such New Equity Shares of the Amalgamated Company so allotted on the Stock Exchanges, at such time or times and at such price or prices and to such person, as such trustee deems fit, but within a period of 90 (ninety) days from the date of allotment of such New Equity Shares, and shall distribute the net sale proceeds, subject to Tax deductions and other expenses as applicable, to such shareholders of Amalgamating Company 1 in proportion to their respective fractional entitlements. In case the number of such New Equity Shares to be allotted to the trustee by virtue of consolidation of fractional entitlements is a fraction, it shall be rounded off to the nearest lower integer. In case the number of such New Equity Shares to be allotted to the trustee by virtue of consolidation of fractional entitlements is less than 1 (one), Amalgamated Company shall not issue fractional shares to such shareholder or to the trustee mentioned above.
- 13.8 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company 1, the Board of Directors of the Amalgamated Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Amalgamating Company 1, after the effectiveness of this Scheme.

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- 13.9 In the event, any or all of the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio stated in Clause 13.1 above shall be adjusted accordingly, to consider the effect of any such Corporate Actions undertaken by such Party.
- 13.10 If necessary, the Amalgamated Company shall before allotment of the New Equity Shares in term of the Scheme, increase, reclassify, and/or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.
- 13.11 The Amalgamated Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges and SEBI Scheme Circular.

Amalgamating Company 2:

- 13.12 Amalgamating Company 2 is a wholly-owned subsidiary of Amalgamated Company. Hence, upon the Scheme becoming effective and amalgamation of Amalgamating Company 2 with Amalgamated Company in terms of this Scheme, all the equity shares issued by Amalgamating Company 2 and held by Amalgamated Company and/ or its nominees shall stand cancelled and extinguished and in lieu thereof, no allotment of any shares in Amalgamated Company shall be made to any person whatsoever.
14. ACCOUNTING TREATMENT IN THE BOOKS OF THE AMALGAMATED COMPANY

Accounting Treatment in the books of Amalgamated Company pursuant to Amalgamation of PCPL/Amalgamating Company 1 with PEL/Amalgamated Company

- 14.1 Upon the Scheme coming into effect, the Amalgamated Company shall account for the amalgamation in its books of accounts, in accordance with the "Pooling of Interest Method" as laid down in Ind AS-103 "Business Combinations" notified under Section 133 of the Companies Act, 2013, as part of the Companies (Indian Accounting Standards) Rules, 2015:
- 14.2 The Amalgamated Company shall record the assets (including the intangible assets, meeting the recognition criteria of Ind AS 103) and liabilities of the Amalgamating Company 1, transferred to and vested in it pursuant to this Scheme, at their respective carrying amounts.
- 14.3 All reserves of the Amalgamating Company 1 are deemed to be carried forward and shall be recorded in the books of the Amalgamated Company in the same form as they appeared in the books of the Amalgamating Company 1 as on the Appointed Date.

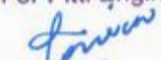
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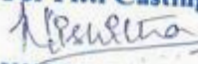

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- 14.4 The Amalgamated Company shall credit its share capital account in its books of accounts with the aggregate nominal value of the equity shares issued to shareholders of the Amalgamating Company 1 as per clause 13.1;
- 14.5 Pursuant to the Scheme, the inter-company transactions and balances including loans, advances, Preference Shares, receivable or payable etc. inter se between the Amalgamating Company 1 and the Amalgamated Company, if any, shall stand cancelled;
- 14.6 The difference, if any, between (i) carrying amount of the assets, liabilities and reserves as recorded under 14.2 and 14.3 above after settlement of inter-company transactions and balances as per clause 14.5 above and (ii) the share capital recorded as per clause 14.4 above, shall be debited or credited to capital reserve, in the books of the Amalgamated Company;
- 14.7 In case of any differences in the accounting policy between the Amalgamating Company 1 and the Amalgamated Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of the Amalgamated Company to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.


Accounting Treatment in the books of Amalgamated Company pursuant to Amalgamation of PRECL/Amalgamating Company 2 with PEL/Amalgamated Company

- 14.8 Notwithstanding anything else contained in the Scheme, the Amalgamated Company shall account for the amalgamation of the Amalgamating Company 2 in its books of accounts in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.
- 14.9 The Amalgamated Company shall identify and recognize the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38 Intangible Assets) and liabilities assumed of the Amalgamating Company 2 at fair value, subject to any adjustment that may be required in terms of paragraph 14.11 below;
- 14.10 The value of all investments, net of impairment loss (if any) in accordance with Ind AS, held by the Amalgamated Company in Amalgamating Company 2 shall stand cancelled pursuant to amalgamation.
- 14.11 Difference, if any, arising after taking effect of clause 14.9 and clause 14.10 subject to impairment assessment shall be apportioned over the assets acquired (other than asset

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initially measured at an amount other than cost) in proportion of their respective fair values;

- 14.12 Pursuant to the amalgamation of the Amalgamating Company 2 with the Amalgamated Company, the inter-company balances between the Amalgamated Company and Amalgamating Company 2, if any, appearing in the books of Amalgamated Company and Amalgamating Company 2, shall stand cancelled and there shall be no further obligation in that behalf;
- 14.13 For accounting purpose, the Scheme will be given effect on the date when all substantial conditions for the transfer of assets and liabilities of the Amalgamating Company 2 are completed;

Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the Indian Accounting Standards applicable to the Amalgamated Company.


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PART III: GENERAL TERMS AND CONDITIONS

15. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- (i) The Stock Exchanges issuing their observation/ no-objection letters, wherever required under applicable laws and SEBI issuing its comments on the Scheme, to the Amalgamated Company, as required under the SEBI Scheme Circular and other applicable laws;
- (ii) The approval by the requisite majorities in number and value of the classes of persons, including shareholders, creditors of the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company as may be directed by the NCLT under Sections 230 - 232 of the Companies Act. In so far as approval of shareholders of PEL, as aforesaid, is concerned, it is clarified that in terms of SEBI Scheme circular, the Amalgamated Company shall provide for voting by public shareholders through e-voting and the Scheme shall be acted upon only if the votes cast by the public shareholders of PEL in favour of the Scheme are more than the number of votes, if any, cast by them against it;
- (iii) The sanctioning of this Scheme by the NCLT, whether or not with any modifications or amendments as NCLT may deem fit or otherwise;
- (iv) The filing of the certified copies of the orders of the NCLT with the RoC, by the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company, as the case may be;
- (v) Compliance with such other conditions as may be imposed by NCLT;

16. APPLICATION TO THE NCLT

- 16.1 The Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company shall, with all reasonable dispatch, make necessary applications to the NCLT where the respective registered offices of the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company are situated, for convening and/or seeking exemption to convene meetings of shareholders/ creditors and for sanctioning this Scheme under Sections 230 - 232 of the Act, for an order thereof, for carrying this Scheme into effect and for dissolution of Amalgamating Company 1 and Amalgamating Company 2 without winding up.
- 16.2 The Amalgamated Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required under any law for such approvals which the Amalgamated Company may require to own the undertaking of the Amalgamating Company 1 and Amalgamating Company 2 and to carry on the business of the Amalgamating Company 1 and Amalgamating Company 2.

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17. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 17.1 The Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 17.2 The Board of Directors of the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Amalgamating Company 1, Amalgamating Company 2 and/or Amalgamated Company.
- 17.3 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Amalgamating Company, 1. Amalgamating Company 2 and the Amalgamated Company may find unacceptable for any reason, then the Amalgamating Company 1, Amalgamating Company 2 and/or Amalgamated Company are at liberty to withdraw the Scheme in accordance with the procedures prescribed to do so.
- 17.4 If any issue arises as whether any asset, liability pertains to the Amalgamating Company 1, Amalgamating Company 2 and/or the Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Amalgamating Company 1, Amalgamating Company 2 and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes.

18. WINDING UP OF AMALGAMATING COMPANY 1 AND AMALGAMATING COMPANY 2

- 18.1 On the Scheme becoming effective, the Amalgamating Company 1 and Amalgamating Company 2 shall stand dissolved without being wound up without any further act by the parties.
- 18.2 On and with effect from the Effective Date, the name of the Amalgamating Company 1 and Amalgamating Company 2 shall be struck-off from the records of the RoC. The Amalgamated Company shall make all necessary filings in this regard.

For Pitti Castings Private Limited


Nishitha Agarwal
Company Secretary
ACS: 65553

For Pitti Rail and Engineering Components Limited


M Pavan Kumar
Director
DIN: 09570371

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For Pitti Engineering Limited


Mary Monica Braganza
Company Secretary & Compliance Officer
FCS 5532

18.3 Any obligations/ steps which need to be undertaken by the Amalgamating Company 1 and Amalgamating Company 2 pursuant to the sanction of this Scheme shall be fulfilled by the Amalgamated Company.

19. EFFECT OF NON-RECEIPT OF APPROVALS

19.1 In the event that the Scheme is not sanctioned by the NCLT or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, the Amalgamated Company shall bear the costs, charges and expenses in connection with the Scheme.

19.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the Amalgamating Company 1 and Amalgamating Company 2 getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Amalgamating Company 1, Amalgamating Company 2 and/or Amalgamated Company so decide. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received and the provisions of the Scheme shall apply appropriately to the said transfer.

20. COSTS, CHARGES & EXPENSES

20.1 All costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme and its implementation, including but not limited to expenditure relating to registration and stamping of orders passed by NCLT, obtaining regulatory approvals, revocation or withdrawal of the Scheme (if undertaken by the Companies) will be borne by the Amalgamated Company.

21. MISCELLANEOUS

21.1 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Amalgamating Company 1, Amalgamating Company 2 and/or Amalgamated Company, in which case the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such Part.

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